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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/027,032	12/20/2001	Douglas C. Meyer	68,143-008	2259

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EXAMINER

KALINOWSKI, ALEXANDER G

ART UNIT PAPER NUMBER

3627

DATE MAILED: 10/12/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

<b>Office Action Summary</b>	<b>Application No.</b>	<b>Applicant(s)</b>	
	10/027,032	MEYER, DOUGLAS C.	
	<b>Examiner</b>	<b>Art Unit</b>	
	James S. McClellan	3627	

**-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --**  
**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

#### Status

- 1) ☒ Responsive to communication(s) filed on 05 July 2005.
- 2a) ☒ This action is **FINAL**.                      2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

#### Disposition of Claims

- 4) ☒ Claim(s) 1 and 3-52 is/are pending in the application.
- 4a) Of the above claim(s) 12-31 and 38 is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1,3-11,32-37 and 39-52 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

#### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

#### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

#### Attachment(s)

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)  | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)                                   | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152)             |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)<br>Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____  |

## DETAILED ACTION

### *Amendment*

1. Applicant's submittal of an amendment was entered on 7/5/05, wherein:
  - claims 1 and 3-52 are pending;
  - claims 2-31 (12/1/03) and 38 (1/21/05) have been withdrawn; and
  - claims 1, 3, 5, 6, 32, 37, 45, 46, and 49-52 have been amended.

### *Claim Rejections - 35 USC § 103*

2. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

3. Claims 1, 3-10, 32, 33, 36, 37, 39, 44-49, and 52 are rejected under 35 U.S.C. 103(a) as being unpatentable over U.S. Patent No. 5,884,300 (hereinafter "Brockman") in view of U.S. Patent No. 6,785,361 (hereinafter "Mahon").

Regarding **claim 1**, Brockman discloses a method of improving records of inventory at a facility using a computer system, comprising: assessing a plurality of current inventory records associated with the facility (see S410 and S415); responsively identifying at least one discrepancy in at least one of the current inventory records using said computer (see S420); identifying at least one inventory process associated with said discrepancy (see S430); establishing a desired performance metric associated with said process (see S410); establishing

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an actual performance metric of said process in response to said discrepancy (see S415); comparing said actual and desired performance metrics (see S420); and establishing a plan to correct the at least one discrepancy in response to said comparison, the plan including specific changes to the current inventory process (see S430, S435; also see column 1, lines 37-42, “self-correcting”); **[claim 3]** *as best understood in view of the 35 U.S.C. § 112 rejection set forth above*, the step of modifying the at least one characteristic includes one of adjusting and adding the at least one characteristic to the at least one inventory record (see column 1, lines 37-42); **[claim 4]** the step of establishing a plan includes the step of reviewing an inventory process of the facility (see step S775; Figure 5B); **[claim 5]** the plan includes the step of improving an inventory practice (it is inherent that any change to the inventory would be for improvement); **[claim 6]** the plan includes the step of improving an inventory methodology (it is inherent that any change to the inventory would be for improvement); **[claim 7]** the inventory process is a receiving process (see step 710; Figure 5A); **[claim 8]** the step of assessing current inventory records includes the step of performing a warehouse audit (see column 3, lines 20-27); **[claim 9]** the step of assessing current inventory records includes the step of performing a location audit (see column 3, lines 20-27); **[claim 10]** the step of assessing current inventory records includes the step of performing a statistical test count (see column 4, lines 22-33); **[claims 32]** receiving a claim (report; see Figure 2, S435) associated with a part shipment (see S710 in Figure 5A), where said part is a part type and is associated with said inventory; and analyzing said claim (inherent); and establishing a plan to correct the at least one deficiency; and **[claims 33 and 39]** identifying a characteristic of a part in said inventory (for example, the type of product in

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inventory). It is noted that limitations of **claims 36, 37, and 44-49** are similar to other claimed addressed above in detail.

Brockman fails to disclose the most recent changes related to adding, modifying, or deleting inventory processes and claims submitted by an external party.

Mahon discloses adding, modifying, or deleting processes based on a problem identified by an external party (see column 3, line 61- column 4, line 20).

It would have been obvious to one of ordinary skill in the art at the time the invention was made to modify Brockman with process changes as taught by Mahon, because process changes are tools used by management to correct problems and reduce potential future errors.

#### ***Claim Rejections - 35 USC § 103***

4. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

5. Claim 11, 42, 43, 50, and 51 are rejected under 35 U.S.C. 103(a) as being unpatentable over Brockman in view of *Official Notice*.

Regarding **claim 11**, Brockman discloses all the limitations as set forth above but fails to explicitly disclose performing a statistical test count by defining a population and extrapolating data to achieve an inventory count.

The Examiner takes Official Notice that was old and well known in the art at the time the invention was made to extrapolate total inventory data based on a predetermined sample. Bragg

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is cited as factual evidence to support the Examiner's position of Official Notice (see pages 244-245 related to counting samples).

It would have been obvious to one of ordinary skill in the art at the time the invention was made to modify Brockman with inventory count extrapolation as is well known in the art, because inventory extrapolation allows an organization to statistically determine inventory quantities in manner that is faster and more efficient than a complete physical count.

Regarding **claim 42**, Brockman fails to explicitly disclose relocating parts if the part is problem prone.

The Examiner takes The Examiner takes Official Notice that was old and well known in the art at the time the invention was made to relocate parts that may be inadvertently lost (problem prone parts). Dobler is cited as factual evidence to support the Examiner's position of Official Notice (see pages 608-612 related to relocating/disposing of surplus inventory).

It would have been obvious to one of ordinary skill in the art at the time the invention was made to modify Brockman to relocate problem prone parts as is well known in that art, because relocating problem prone parts to new location that is likely to reduce the problems associated with the part is advantageous to the part owner.

Regarding **claim 43**, Brockman fails to explicitly disclose identifying and recovering lost inventory.

The Examiner takes The Examiner takes Official Notice that was old and well known in the art to identify and recover lost inventory in response to a discrepancy. Bragg is cited as factual evidence to support the Examiner's position of Official Notice (see pages 241-243 related to counting).

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It would have been obvious to one of ordinary skill in the art at the time the invention was made to modify Brockman to identify and recover lost parts as is well known in that art, because identifying and recovering lost parts reduces the need of the part owner to reorder replacement inventory, wherein saving money by the part owner.

Regarding **claims 50-51**, Brockman fails to explicitly disclose analyzing a claimant's claim history associated with a part.

The Examiner takes The Examiner takes Official Notice that was old and well known in the art to review a claimant's claim history to help expedite the acceptance or rejection of the claim, wherein claimants with few prior claims are likely sending valid claims. Takao is cited as factual evidence to support the Examiner's position of Official Notice (see paragraphs 0014, 0015, and 0027 related to customer measuring customer credibility). The use of claimant history reduces the claim audit costs by the part owner.

6. Claims 34, 35, 40, and 41 are rejected under 35 U.S.C. 103(a) as being unpatentable over Brockman in view of U.S. Patent Application No. US 2002/0072977 (hereinafter "Hoblit").

Brockman discloses all the limitations as set forth above but fail to explicitly disclose utilizing theft prone or problem prone characteristics in inventory analysis.

Hoblit teaches that inventory analysis can be generated based on theft prone or problem prone inventory (see paragraph #0021).

It would have been obvious to one of ordinary skill in the art at the time the invention was made to modify Brockman with the analysis of theft/problem prone inventory as taught by Hoblit, because considering theft/problem prone inventory will help reduce the chance of discrepancies based on theft or problems in the future.

*Response to Arguments*

7. Applicant's arguments filed 7/5/05 have been fully considered but they are not persuasive.

All arguments are moot in view of new grounds of rejection necessitated by Applicant's amendment.

*Conclusion*

8. Green is cited of interest for providing disclosure related to inventory management.

9. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a).

Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

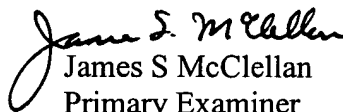


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9. Any inquiry concerning this communication or earlier communications from the examiner should be directed to James S. McClellan whose telephone number is (571) 272-6786. The examiner can normally be reached on M-F (9:30-6:00).

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Alexander Kalinowski can be reached on (571) 272-6771. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

  
James S McClellan  
Primary Examiner  
Art Unit 3627

jsm  
9/29/05